

## State of Connecticut

## **SENATE**

STATE CAPITOL HARTFORD, CONNECTICUT 06106-1591

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Human Services Public Hearing
Testimony in Support of House Bill 5245, An Act Establishing A Task Force To Study The
Privatization Of Group Homes.

March 11, 2010

Senator Doyle, Representative Walker, Senator Kane, Representative Gibbons and Members of the Human Services Committee, thank you for allowing me the opportunity to testify in support of House Bill 5245, An Act Establishing A Task Force To Study The Privatization Of Group Homes.

Connecticut is one of four states with a dual system of providing social services to its residents, with both state employees and non-profit community providers serving clients in many areas of the social service spectrum. This dual system results in a duplication of services and is costly and inefficient.

This dual system is personified in the services provided to our state's developmentally disabled population.

Presently, there are approximately 873 group homes in Connecticut serving those with developmental disabilities. Of those, 778 are run through private, non-profit community providers while only 95 are run by the state Department of Developmental Services. Publicly run and privately run group homes provide the same or similar services. They are located in the same towns and often can be found in the same neighborhood or street. The biggest difference is the cost for the services being provided.

Services provided at privately run group homes cost, on average 10% to 30% less than those same services at state operated homes. If the state transitions its services to the private sector it would realize an annual savings of \$30 million or more, just in this one state agency. Those are

savings that we could use, in the short-term, to deal with the fiscal crisis our state is facing. In the long-term, these savings could be reinvested to provide enhanced services to our state's residents.

The underlying bill before you today calls for the establishment of a task force. The task force would be charged with comparing various aspects of group homes, both in Connecticut and the surrounding states, examining populations, level of care, staffing and operating costs. The task force would be comprised of members of the Executive and Legislative branches as well as the non-partisan Office of Fiscal Analysis. The task force is charged with reporting their finding no later than December 1st.

This is a good first step and I am glad that their report will be available prior to the start of the 2011 legislative session. But I believe much more can and should be done. The fiscal crisis we face today is only projected to get worse as we enter 2011 and beyond. The state needs to find ways to achieve savings and I believe transitioning DDS group homes and other social service programs from the public sector to the private sector will generate much needed savings while not compromising the level of services provided.

I urge passage of this bill and look forward to working with the members of this committee as this legislation moves forward.